

## Chapter II Planning

II. Planning	2-2
A. Overview	2-2
B. Highway Safety Performance Plan Development Process and Calendar	2-2
Table 2. HSP Development Process Calendar	2-3
C. Coordination with the State Strategic Highway Safety Plan	2-4
D. Identification of State and Local Problems (Data Analysis Procedure)	2-4
Table 3. Categories of Traffic Safety Data	2-5
Table 4. Questions to Help with Data Analysis and Problem Identification	2-6
Table 5. Information that May Be Applied to Problem Analysis	2-6
E. Key Program Areas, Goals, and Strategies	2-6
Table 6. National Highway Safety Priority Program Areas	2-7
F. Performance Measures	2-7
G. Public Outreach	2-8
H. Funding Priorities	2-9
I. Benefit to Locals	2-9
J. Transfer/Incentive Funds	2-11
K. Three Years Plus One Federal Obligation Restriction	2-12
L. Fund Liquidation	2-12
Attachment 4	

## **II. Planning**

### **A. Overview**

Each federal fiscal year (October 1 – September 30) the TSO shall develop an HSP to qualify for federal highway safety funding. The HSP is prepared and submitted by the TSO to the Safety Division Director for review and comment. The Safety Director then provides the HSP for all Department approvals. The HSP is due to the National Highway Traffic Safety Administration (NHTSA) Region 8 Office on September 1 for approval. The NHTSA Region 8 Office forwards copies to NHTSA Headquarters.

Federal approval of the HSP is in the form of a letter from NHTSA Region 8 acknowledging that the State's submission of the performance plan, highway safety plan, certificates and assurances, and cost summary complies with all federal requirements.

At the beginning of the HSP development process, the TSO considers a number of factors to determine project priorities and areas of emphasis. These factors are:

- Federal legislation
- State statutes
- Federal and national priorities and goals
- State and local problems

Other influences can be federal and state legislative bodies, community-based organizations, local and national interest groups, state and local traffic safety-related non-profit organizations, and local governments. Projects can be proposed by members of any of these organizations, directly or indirectly. The key goal is to assure that all projects in the HSP are data-driven.

From time to time, Congress designates or earmarks federal highway safety funds for specific purposes and uses. Projects developed in response to these earmarked funds must be data-driven as well, with the earmarked funds dedicated to the areas of the state with the greatest threat to public safety.

National priority areas are established in 23 CFR Chapter II, Section 1205.3. Some of the national priority areas are also state priority areas and are included in the state's HSP. These program areas then form the framework to provide detailed descriptions of the selected traffic safety projects.

### **B. Highway Safety Performance Plan Development Process and Calendar**

The Highway Safety Performance Plan (HSPP) is required by NHTSA regulations and consists of four major sections: (1) Performance Plan, (2) Highway Safety Plan (HSP), (3) certifications and assurances, and (4) HS Form 217 Cost Summary.

The Performance Plan describes the process used to identify the state's traffic safety problems and to propose the projects and activities the state plans to implement to reach its performance goals. It includes performance measures for each goal to track progress from a baseline toward meeting the goal by the specified target date. The HSP describes the grant projects and activities the state plans to implement to reach the goals identified in the Performance Plan.

The HSPP development process consists of a number of stages:

- Problem identification
- Planning to select and prioritize goals, objectives, and performance measures
- Participation from traffic safety-related partners
- Development of funding priorities
- Issuance of Request for Proposals (RFP) or Request for Applications (RFA), as necessary
- Review, negotiation, and approval of grant agreements
- Implementation

The TSO's HSPP (hereafter referred to as the HSP) is produced annually and is developed through discussions coordinated by the TSO. The TSO may work with interagency groups, state and local government agencies, community coalitions, and other identified stakeholders to develop the annual HSP. The initial discussion is with TSO staff only. The discussion allows for the review of previous year comments on prior activities (by federal, state, and local partners) and the development of an initial budget and the production of rough drafts for each program area.

Once a draft is produced, the HSP development meetings may be expanded to include other TSO traffic safety partners for solicitation of comments and input on potential strategies. Regional NHTSA and divisional FHWA representatives may be invited to meet with the TSO during the planning process to provide input and make recommendations as well.

The following table illustrates the approximate twelve-month planning calendar for the TSO HSP development process.

**Table 2. HSP Development Process Calendar**

Month	Activity
January-April	<p>Debrief the previous year's program results with staff and review the NHTSA Regional Office priority letter to help set state goals.</p> <p>Conduct internal planning to guide funding distribution and overall direction of the traffic safety program including ongoing problem identification and goals, strategies, and performance measures within each program area.</p>
April - May	As funding allows, solicit RFPs/RFAs from potential subgrantees. Post any solicitation announcements to the TSO webpage.
June – July	<p>Continue the problem identification process to include the review of state traffic crash data from the most recent year and other related data sources.</p> <p>If projects are solicited, establish a Grant Review Committee(s) to review and score proposals/applications received in response to the solicitation.</p> <p>Select projects for inclusion in the HSP.</p>
July-August	<p>Determine revenue estimates and draft an initial HSP budget.</p> <p>Develop the draft HSP for internal review by August 15.</p> <p>Review the draft with NDDOT officials and other appropriate local, state and federal officials. If the TSO did not solicit grant applications/proposals due to lack of discretionary funding, conduct a public comment period or another process to allow</p>

	<p>for adequate input from stakeholders and the general public.</p> <p>Finalize HSP budget.</p> <p>Conduct TSO final internal review of HSP for compliance with federal requirements, completeness and accuracy.</p> <p>Submit HSP for approval by Safety Division Director and Governor's Representative and GR signature.</p>
August-September	<p>Begin to draft TSO grant agreements/contracts.</p> <p>Submit the final HSP to NHTSA Region 8 Office for review. (September 1)</p> <p>Notify successful subgrantees and develop final grant agreements/contracts.</p> <p>Submit grant agreements/contracts for Department approval.</p>
October 1	Implement HSP, grants, and contracts.
November	Begin preparation of annual evaluation report for previous fiscal year.
December 31	Submit annual evaluation report to NHTSA Region 8 Office.

## C. Coordination with the State Strategic Highway Safety Plan

The TSO is located within the NDDOT's Safety Division. The Safety Division is responsible for the development of the State's Strategic Highway Safety Plan (SHSP).

This allows the TSO to coordinate with the SHSP process to maximize integration and use of data analysis resources, fully represent driver behavior issues and strategies, and use any statewide safety committees to obtain input from state and local traffic safety partners for the TSO HSP development, implementation, and evaluation.

The TSO shall assure that the goals and objectives contained in the SHSP are considered in the annual development of the HSP and incorporated to the fullest extent possible. The TSO shall review the SHSP and HSP to identify any gaps in addressing driver behavior issues and eliminate any redundancy for the maximum use of resources.

## D. Identification of State and Local Problems (Data Analysis Procedure)

The purpose of the HSP problem identification and assessment process is to:

- Understand the scope of the state's traffic crash problem and causation factors
- Develop effective countermeasures to reduce or eliminate the problems
- Design evaluation mechanisms to measure changes in problem severity
- Manage influencing factors by using statistical crash data to highlight a particular problem in order to obtain the necessary support to institute effective countermeasures

The Performance Plan section of the annual HSP is required to include a brief description of the processes used each year by the TSO to identify its highway safety problems. In describing these processes, the state shall identify the participants in the processes (e.g., highway safety committees, community and constituent groups, etc.) and list the information and data sources consulted.

The problem identification process used by the TSO includes analysis of traffic safety data from established statewide sources. The statistics analyzed are historical data collected over time through a uniform process. These statistics include:

- State traffic crash database - crash, vehicle, and person data
- Data on average daily traffic counts and vehicle miles traveled
- Federal Fatality Analysis Reporting System (FARS)
- Vehicle and driver information from the state's driver license, vehicle registration, and citation/conviction files
- Trauma Registry
- Census and demographic data
- Other sources (for example, the North Dakota Behavior Risk Factor Surveillance Survey [BRFSS] and the North Dakota Youth Risk Behavior Survey [YRBS])

The result of the TSO problem identification process is to establish the major traffic safety program areas to focus the state's efforts.

Data elements fall into three general categories: (1) people, (2) vehicles, and (3) roadway. These categories may be broken down into subgroups and assigned relevant characteristics, as shown in the following table.

**Table 3. Categories of Traffic Safety Data**

<b>Data Category</b>	<b>Subgroups</b>	<b>Notes:</b>
People	Drivers, occupants, pedestrians	Age, gender, alcohol content, driver's education experience and training
Vehicles	Passenger cars, trucks, buses, motorcycles, bicycles, etc.	Sedans, SUVs, convertibles, airbags, anti-lock brakes, electronic stability control
Roadway	Interstate, primary, secondary	Political subdivisions, lighting conditions, surface conditions

Data subgroups should be reviewed to determine overrepresentation. Such overrepresented subgroups indicate traffic safety problems. A good example is the high percent of crashes among teenage drivers compared to the lower percent of crashes among all drivers. Further analysis identify subgroup characteristics (for example, increased severity) or any other specific factors suggested by the data when asking the traditional "who, what, where, why, and how" questions.

Overrepresented factors can be determined by comparing the rate of crashes for a subgroup or characteristic within the jurisdiction to the same rate in a comparable or larger jurisdiction. The rate may be expressed either as a percent or a ratio.

**Percent Example:** If the percent of adult vehicle occupants that do *not* use seat belts within a jurisdiction is greater than the statewide percent, then that characteristic is overrepresented.

**Ratio Example:** Dividing nighttime (10 p.m. to 6 a.m.) crashes by the total number of crashes for the jurisdiction within a given time frame produces a ratio. If that ratio is higher than the statewide ratio, a DUI problem may be indicated since typically most nighttime crashes are DUI-related.

Asking the following questions may help with data analysis and problem identification.

**Table 4. Questions to Help with Data Analysis and Program Identification**

Question	Examples
Are high crash incidence locations identified?	Specific road sections, highways, streets, and intersections
What appears to be the major crash causation?	Alcohol, other drugs, speed, other traffic violations, weather, road condition
What characteristics are over-represented or occur more frequently than would be expected in the crash picture?	Number of crashes involving 16- to 19-year-olds versus other age groups, or, number of alcohol crashes occurring on a particular roadway segment as compared with other segments
Are there factors that increase crash severity which are or should be addressed?	Non-use of occupant protection devices (seat belts, motorcycle helmets, etc.)

The following table shows an array of information that may be applied in the analysis of a crash problem.

**Table 5. Information That May Be Applied to Problem Analysis**

Causal Factors:	Crash Characteristics:	Factors Affecting Severity:
<ul style="list-style-type: none"> <li>violation</li> <li>loss of control</li> <li>weather</li> <li>alcohol involvement</li> <li>roadway design</li> </ul>	<ul style="list-style-type: none"> <li>time of day</li> <li>day of week</li> <li>age of driver</li> <li>gender of driver</li> </ul>	<ul style="list-style-type: none"> <li>occupant protection non-use</li> <li>position in vehicle</li> <li>roadway elements (markings, guardrail, shoulders, surface, etc.)</li> </ul>

TSO staff should be alert to the following factors that may impede effective problem identification and make appropriate adjustments when they appear:

- Data access restrictions/limitations
- Inability to link automated files
- Lack of location-specific data
- Insufficient data (property damage only, non-reportable crashes, near misses, bicycle crashes, etc.)

## E. Key Program Areas, Goals, and Strategies

Using the data and information gathered through the problem identification process, the TSO selects key program areas for emphasis and coordinates the development of priority traffic safety performance goals and strategies for each program area using a documented planning process.

The Performance Plan section of the annual HSP is required to list objective and measurable highway safety goals, within the National Highway Safety Priority Program Areas (See Table 5. National Highway Safety Program Priority Program Areas below) and other selected program areas, based on the highway safety problems identified by the state during the problem identification process.

Each goal must be accompanied by at least one performance measure that enables the state to track progress, from a specific baseline, toward meeting the goal (e.g., a goal to “increase seat belt use from XX percent in 20\_\_ to YY percent in 20\_\_,” using a performance measure of “percent of restrained occupants in front outboard seating positions in passenger motor vehicles”). See 23 CFR Part 1200.10.

National Priority Program Areas are identified in 23 CFR Part 1205.3 by NHTSA and the Federal Highway Administration (FHWA) as encompassing a major highway safety problem which is of national concern and for which effective countermeasures have been identified. Programs developed in the following areas are eligible for federal funding, pursuant to guidelines issued by NHTSA.

**Table 6. National Highway Safety Priority Program Areas**

Title
Alcohol and Other Drug Countermeasures
Police Traffic Services
Occupant Protection
Traffic Records
Emergency Medical Services
Motorcycle Safety
Roadway Safety
Pedestrian and Bicycle Safety
Speed Control

The TSO Performance Plan may address all or some of the NHTSA program areas. Additional program areas may be included if sufficient justification to address those issues is established in the problem identification process, such as, school bus safety and Community Traffic Safety Programs. These program areas then form the framework for providing detailed descriptions of the select traffic safety strategies.

A complete listing of the HSP program areas with their respective and applicable federal two- or three-letter alpha character accounting code designators is included as Attachment 4.

Reference should be made to the *Uniform Guidelines for State Highway Safety Programs* which describes the areas that each state's plan should include in order to comprehensively address the critical highway safety program areas.

The overall state goal is to reduce traffic safety-related crashes, deaths, and injuries.

The Performance Plan shall also include a brief description of the processes used by the state to define its highway safety goals and develop projects and activities to address its problems and achieve its goals. In describing these processes, the state shall list the information and data sources consulted.

## F. Performance Measures

The HSP includes performance measures for each TSO goal to track progress from a baseline toward meeting the goal by the specified target date using absolute numbers, percents or rates. Program performance measures are reviewed and updated each year, when necessary.

A performance measure is a quantitative or qualitative indicator expressed in terms of a planned level of activity and directly aligned to the objectives and goals of a project. Performance measures provide the basis for determining the degree of achievement of established objectives. Acceptable activity levels or outputs shall be established as part of each grant agreement.

There are two common types of performance measures: direct and proxy. *Direct measures* are preferred. Examples of direct measures include: number of crashes, citations, people trained, units purchased, etc. Sometimes it is impossible to obtain direct measures. If such is the case, a proxy measure might be used. *Proxy measures* are indicators that provide an indirect assessment of desired activity. An example is a self-reporting survey conducted among a statistically valid sample of the population to determine

behavioral change (recognition of public service announcements on television or radio, seat belt use, impaired driving issues, etc.).

The characteristics of a good performance measure are that it is:

- Quantifiable, where possible
- Directly linked to objectives
- Accurate and clearly defined
- Understandable
- Objective
- Practical

In the state's Performance Plan section of the HSP each goal is required to be accompanied by at least one performance measure that enables the state to track progress from a specific baseline toward meeting the goal (e.g., a goal to "increase seat belt use from XX percent in 20\_\_ to YY percent in 20\_\_," using a performance measure of "percent of restrained occupants in front outboard seating positions in passenger motor vehicles").

The planned activities will refer to the required minimum set of 14 performance measures (required beginning with the FY2010 HSP) and the minimum set of nine core attitude, awareness, and behavior measures collected via an annual statewide survey.

The Performance Plan will also include a brief description of the process used by the state to define its performance measures. In describing this process, the state will identify the participants in the process and list the information and data sources consulted.

## **G. Public Outreach**

NHTSA regulations require the TSO to provide a brief description in the Performance Plan section of the HSP of the processes used to identify its highway safety problems, define its highway safety goals and performance measures, and develop projects and activities to address its problems and achieve its goals. In describing these processes, the TSO will identify the participants in the processes (e.g., highway safety committees, community and constituent groups, etc.), discuss the strategies for project or activity selection (e.g., constituent outreach, public meetings, solicitation of proposals), and list the information and data sources consulted.

To the extent possible, the state should summarize information that shows an understanding of the major highway safety activities of other agencies and organizations and how the TSO is collaborating with other agencies and partners. One method used by states to reach their constituency groups is a pre-proposal application conference or meeting.

The TSO strives to prevent the loss of life, personal injury, and property damage caused by traffic crashes and to reduce the resulting economic losses to the residents of the state. The efforts necessary to reach these goals require partnerships with public agencies and special interest groups to foster the sense of cooperation vital to accomplishing the mission. This includes:

- **Inter-Agency Working Groups:** The TSO promotes interagency cooperation relating to highway safety issues using the resources of various state departments and agencies to the best advantage possible.
- **Community Partners:** The TSO encourages the development of community-based partners in order to engage citizen involvement in the health and safety of communities.



## H. Funding Priorities

The U. S. Congress authorizes traffic safety funds to be appropriated to NHTSA. NHTSA apportions and distributes these funds to the states. The states obligate these funds through the annual HSP which is subject to NHTSA review. Any earmarked or special purpose funds will be used only in that particular program area and cannot be transferred to any other program area. When developing the HSP, new revenue estimates for each funding source are obtained by the TSO annually from the NHTSA Region 8 Office typically in the first quarter of the calendar year for the following fiscal year. This information along with estimated prior year unexpended funds is used to develop the estimated total highway safety funding available for the upcoming fiscal year.

The TSO is responsible to annually allocate the estimated amount of revenue by program area for the HSP budget based on the information gathered in the problem identification, program goal, and strategy processes to assure the greatest potential impact on the state's overall goal to reduce traffic safety-related crashes, deaths, and injuries. The process to make the budget allocation decision should be documented in the Performance Plan of the HSP.

The state receives new Section 402 funds annually. The state makes application annually for other federal program and incentive funding sources (for example Sections 408 and 410) and may also receive transfer funds. Planned funds are subject to revision depending on the actual amount of funding received by the state. A Program Cost Summary generated via the Grants Tracking System (GTS) (*HS Form 217* or its electronic equivalent) is required to be completed and submitted with the annual HSP to reflect the state's proposed allocations of funds (including known carry forward funds) by program area based on the goals identified in the Performance Plan and the projects and activities identified in the HSP. The funding level used shall be an estimate of available funding from all federal sources for the upcoming fiscal year.

The funds distributed are available for expenditure by the state to satisfy the federal share of expenses under the approved traffic safety program, and shall constitute a contractual obligation of the federal government, subject to any conditions or limitations identified in the distributing documentation. Reimbursement of state expenses is contingent upon the submission of an updated *HS Form 217* (or its electronic equivalent) within 30 days after either the beginning of the fiscal year or the date of the written approval required under 23 CFR 1200.13, whichever is later. The updated *HS Form 217* (or its electronic equivalent) will reflect the state's estimated allocation of Section 402 funds made available for expenditure during the fiscal year including known carry forward funds under 23 CFR 1200.14

In the event that authorizations exist but no applicable appropriation act has been enacted by Congress by October 1 of a fiscal year, NHTSA and FHWA Administrators shall, in writing, distribute a part of the funds authorized under Section 402 contract authority to assure program continuity and will specify any conditions or limitations imposed by law on the use of the funds. Upon appropriation of Section 402 funds, the NHTSA Administrator will, in writing, promptly adjust the obligation limitation and specify any conditions or limitations imposed by law on the use of the funds.

## I. Benefit to Locals

States are required to assure that at least 40 percent of all new federal funds apportioned under Section 402 for any fiscal year are **expended\*** by the political (local) subdivisions of the state, including Indian tribal governments, in carrying out local highway safety programs. These local highway safety programs must be approved by the Governor and operated in accordance with the minimum standards established in 23 CFR 1250.4, *Determining local share*, which reads as follows.

*(a) In determining whether a state meets the requirement that at least 40 percent of Federal 402 funds be expended by political subdivisions, FHWA and NHTSA will apply the 40 percent requirement sequentially to each fiscal year's apportionments, treating all apportionments made from a single fiscal year's authorizations as a single entity for this purpose. Therefore, at least 40 percent of each state's apportionments from each year's authorizations must be used in the highway safety programs of its political subdivisions prior to the period when funds would normally lapse. The 40 percent requirement is applicable to the state's total federally funded safety program irrespective of Standard designation or Agency responsibility.*

*(b) When Federal funds apportioned under 23 U.S.C. 402 are expended by a political subdivision, such expenditures are clearly part of the local share. Local safety project related expenditures and associated indirect costs, which are reimbursable to the grantee local governments, are classifiable as the local share of Federal funds. Illustrations of such expenditures are the cost incurred by a local government in planning and administration of project related safety activities, driver education activities, traffic court programs, traffic records system improvements, upgrading emergency medical services, pedestrian safety activities, improved traffic enforcement, alcohol countermeasures, highway debris removal programs, pupil transportation programs, crash investigation, surveillance of high crash locations, and traffic engineering services.*

*(c) When Federal funds apportioned under 23 U.S.C. 402 are expended by the state or a state agency for the benefit of a political subdivision, such funds may be considered as part of the local share, provided that the political subdivision benefitted has had an active voice in the initiation, development, and implementation of the programs for which such funds are expended. In no case may the state arbitrarily ascribe state agency expenditures as "benefitting local government." Where political subdivisions have had an active voice in the initiation, development, and implementation of a particular program, and a political subdivision which has not had such active voice agrees in advance of implementation to accept the benefits of the program, the Federal share of the cost of such benefits may be credited toward meeting the 40 percent local participation requirement. Where no political subdivisions have had an active voice in the initiation, development, and implementation of a particular program, but a political subdivision requests the benefits of the program as part of the local government's highway safety program, the Federal share of the cost of such benefits may be credited toward meeting the 40 percent local participation requirement. Evidence of consent and acceptance of the work, goods, or services on behalf of the local government must be established and maintained on file by the state, until all funds authorized for a specific year are expended and audits completed.*

*(d) State agency expenditures which are generally not classified as local are within such standard areas as vehicle inspection, vehicle registration, and driver licensing. However, where these Standards provide funding for services such as: driver improvement tasks administered by traffic courts, or where they furnish computer support for local government requests for traffic record searches, these expenditures are classifiable as benefitting local programs.*

**\*NOTE:** The TSO is required not only to obligate 40 percent of the Section 402 funds to the benefit of locals but must also assure that the required percent of funds is actually expended to the benefit of locals. This requires the TSO to periodically monitor local grant expenditure rates during the fiscal year and to determine that the required minimum amount has been entered into the federal Grant Tracking System (GTS) at fiscal year closeout.

To meet the terms of this regulation, the TSO has added a requirement to the grant application process for applicants to obtain the written acknowledgement from political subdivisions to be served by the program. The following information is provided by applicants.

### **GRANT APPLICATION COVER SHEET**

North Dakota Department of Transportation, Safety Division, Traffic Safety Office

Revised May 2011

**Documentation from County or Counties of Operation of Local Benefit for Traffic Safety Programs**

States that receive federal funds under Section 402 of the Highway Safety Act must assure that at least 40 percent of all funds are expended to the benefit of the political (local) subdivisions of the state, including Indian tribal governments, in carrying out local highway safety programs. Please have the cities or counties in which the project will operate complete the following information and submit the information with your application packet. **Note: Applicants that are political subdivisions or tribes are exempt from this documentation.**

This is the documentation of our involvement in the NDDOT-funded traffic safety program performed in our jurisdiction.	
<input type="checkbox"/> We will be involved in the initiation, development, and implementation of the program. <input type="checkbox"/> We agree in advance of implementation to accept the benefits of the program. <input type="checkbox"/> Other (please explain):	
Jurisdiction Name (City or County)	Date
Jurisdiction Representative Name	Jurisdiction Representative Title
Signature	

Contracts with political subdivisions and tribal governments are automatically counted toward local benefit. Grantees not subject to grant application processes may be requested to collect local benefit documentation if it is necessary to meet the local benefit requirement.

**J. Transfer/Incentive Funds**

Section 402 funds are used by the TSO to support projects and activities within any national program area or any other highway safety program area that is identified in the HSP as encompassing a major highway safety problem in the state and for which effective countermeasures have been identified. In addition to the Section 402 funds, the state may be eligible to receive funds from other federal incentive and transfer program sources. The specific available programs typically change with each federal reauthorization of the highway safety program (usually every six years). The most recent reauthorization is commonly referred to as SAFETEA-LU (Safe, Accountable, Flexible, Efficient Transportation Equity Act - A Legacy for Users) which was enacted August 10, 2005. The prior reauthorization was referred to as TEA-21 (Transportation Equity Act for the 21<sup>st</sup> Century) which expired in 2004.

As prescribed by federal regulation, the TSO must complete an annual application to determine its qualification, or continued qualification, for federal incentive funds. North Dakota has qualified for several sources of incentives funds in the past, including: *Sections 405 Incentive, 157 Incentive, 157 Innovative, and 2003b* (all occupant protection incentive funds).

Regarding transfer funds, an annual determination is made by the U.S. DOT regarding the state's inability to enact or enforce specified state traffic safety laws or policies to address a program area as prescribed by the U.S. Congress in the current reauthorization. Information regarding the state's laws and policies is requested by the U.S. DOT to determine the state's eligibility. The state is notified annually through a letter to the state Department of Transportation (DOT) and the Governor's Highway Safety Representative from the U.S. Secretary of Transportation of any transfers of funds assessed against the state under a particular section. Transfer funds will be expended only in the manner specified by the

section's authorizing regulation. North Dakota has received transfer funds in the past including: Section 164 for alcohol and hazard elimination.

The state DOT and the Governor's Highway Safety Representative determine the expenditure of certain transfer and incentive funds and notify the U.S. DOT accordingly by letter. Funds that are committed for the expenditure of State DOT projects are the primary responsibility of that agency. The TSO may monitor for informational purposes the annual obligation of all incentive and transfer funds received by the state and the expenditure of such funds by subgrantees.

The most current information regarding the requirements and limitations of each of the SAFETEA-LU and TEA-21 incentive and transfer fund programs can be found in NHTSA's electronic *Highway Safety Grant Management Manual*.

## **K. Three Years Plus One Federal Obligation Restriction**

23 CFR Chapter 1, Subchapter I, Part 118(2) states, "Except as otherwise specifically provided, funds apportioned or allocated pursuant to this title (other than for Interstate construction) in a state shall remain available for obligation in that state for a period of three years after the last day of the fiscal year for which the funds are authorized. Any amounts so apportioned or allocated that remain unobligated at the end of that period shall lapse."

## **L. Fund Liquidation**

The TSO shall promptly obligate and expend federal highway safety grant funds and track fund liquidation including transfer and incentive funds by funding year and source. The oldest funds should be expended first whenever possible.

The TSO Manager, or the manager's delegate, shall be responsible for periodically examining the current liquidation of each funding source by year and shall promptly notify the Division Director of any unreasonably large amounts of unliquidated funds. The TSO shall proactively bring any issues regarding unliquidated federal incentive or transfer funds split by the TSO and the NDDOT to the responsible party at the NDDOT.

## HSP Program Area Accounting Code Designators

Funding Source	Program Code	Program Area
NHTSA 402		
	PA	Planning and Administration
	AL	Alcohol
	EM	Emergency Medical Services
	MC	Motorcycle Safety
	OP	Occupant Protection
	PS	Pedestrian/Bicycle Safety
	PT	Police/Traffic Services
	TR	Traffic Records
	DE	Driver Education
	SA	Safe Communities
	SB	School Bus
405 Occupant Protection		
	J2	Occupant Protection
	J2PM	Paid Media
405 OP SAFETEA-LU		
	K2	Occupant Protection
	K2PM	Paid Media
NHTSA 406		
	K4	Safety Belts Incentive
	K4PM	Safety Belts Paid Media
408 Data Program SAFETEA-LU		
	K9	Data Program Incentive
410 Alcohol SAFETEA-LU		
	K8	Alcohol SAFETEA-LU
	K8PA	Alcohol Planning and Administration
	K8PM	Alcohol SAFETEA-LU Paid Media
411 Data Program		
	J9	Data Program
2003B Child Pass. Protection		
	J3	Child Passenger Protection
2010 Motorcycle Safety		
	K6	Motorcycle Safety Incentive
2011 Child Seats		
	K3	Child Seat Incentive
157 Incentive Funds		
	157AL	Alcohol
	157PT	Police Traffic Services
	157TR	Traffic Records
154 Transfer Funds		
	154PA	Planning and Administration
	154AL	Alcohol
	154PM	Paid Media
163 Impaired Driving		
	163ID	Impaired Driving Mobilization 2004
	163DM	Impaired Driving Mobilization 2005